



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Balance Sheets

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾

	March 31, 2010 (unaudited)			December 31, 2009 (audited)		March 31, 2009 (unaudited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$5,022	\$159,800	25.5	\$171,276	28.8	\$223,262	40.4	(\$11,476)	(6.7)	(\$63,462)	(28.4)
Investments in Marketable Financial Instruments	1,012	32,210	5.1	24,521	4.1	6,527	1.2	7,689	31.4	25,683	393.5
Accounts Receivable - Trade	1,250	39,771	6.3	35,382	5.9	13,822	2.5	4,389	12.4	25,949	187.7
Inventories, Net	713	22,694	3.6	20,914	3.5	14,775	2.7	1,780	8.5	7,919	53.6
Other Current Assets	350	11,141	1.9	7,711	1.4	10,171	1.8	3,430	44.5	970	9.5
Total Current Assets	8,347	265,616	42.4	259,804	43.7	268,557	48.6	5,812	2.2	(2,941)	(1.1)
Long-Term Investments	1,250	39,763	6.3	37,845	6.4	35,682	6.5	1,918	5.1	4,081	11.4
Properties, Plant and Equipment	31,836	1,012,982	161.6	967,419	162.7	867,199	156.9	45,563	4.7	145,783	16.8
Less: Accumulated Depreciation	(22,419)	(713,353)	(113.8)	(693,744)	(116.7)	(640,121)	(115.8)	(19,609)	2.8	(73,232)	11.4
Properties, Plant and Equipment, Net	9,417	299,629	47.8	273,675	46.0	227,078	41.1	25,954	9.5	72,551	31.9
Other Assets	686	21,821	3.5	23,372	3.9	21,458	3.8	(1,551)	(6.6)	363	1.7
Total Assets	\$19,700	\$626,829	100.0	\$594,696	100.0	\$552,775	100.0	\$32,133	5.4	\$74,054	13.4
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Short-term loan payable	\$10	\$318	-	\$-	-	\$-	-	\$318		\$318	
Accounts Payables	365	11,626	1.9	11,689	2.0	5,824	1.1	(63)	(0.5)	5,802	99.6
Payables to Contractors and Equipment Suppliers	905	28,785	4.6	28,924	4.9	5,145	0.9	(139)	(0.5)	23,640	459.5
Accrued Expenses and Other Current Liabilities	1,148	36,501	5.9	37,571	6.2	34,120	6.1	(1,070)	(2.8)	2,381	7.0
Current Portion of Bonds Payable and Long-Term Debts	30	945	0.1	949	0.2	286	0.1	(4)	(0.5)	659	229.7
Total Current Liabilities	2,458	78,175	12.5	79,133	13.3	45,375	8.2	(958)	(1.2)	32,800	72.3
Bonds Payable	141	4,500	0.7	4,500	0.8	4,500	0.8	-	-	-	-
Other Long-Term Liabilities	372	11,849	1.9	12,015	2.0	17,587	3.2	(166)	(1.4)	(5,738)	(32.6)
Total Liabilities	2,971	94,524	15.1	95,648	16.1	67,462	12.2	(1,124)	(1.2)	27,062	40.1
Shareholders' Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	8,141	259,038	41.3	259,027	43.6	256,260	46.4	11	0.0	2,778	1.1
Capital Surplus	1,745	55,531	8.9	55,486	9.3	49,965	9.0	45	0.1	5,566	11.1
Legal Capital Reserve ⁽²⁾	2,430	77,317	12.3	77,317	13.0	67,324	12.2	-	-	9,993	14.8
Special Capital Reserve ⁽²⁾	-	-	-	-	-	392	0.1	-	-	(392)	(100.0)
Unappropriated Earnings ⁽²⁾	4,344	138,228	22.1	104,565	17.5	103,896	18.8	33,663	32.2	34,332	33.0
Treasury Stock	-	-	-	-	-	-	-	-	-	-	-
Others	(62)	(1,976)	(0.3)	(1,312)	(0.2)	3,710	0.6	(664)	50.5	(5,686)	(153.3)
Total Equity Attributable to Shareholders of the Parent	16,598	528,138	84.3	495,083	83.2	481,547	87.1	33,055	6.7	46,591	9.7
Minority Interests	131	4,167	0.6	3,965	0.7	3,766	0.7	202	5.1	401	10.6
Total Shareholders' Equity	16,729	532,305	84.9	499,048	83.9	485,313	87.8	33,257	6.7	46,992	9.7
Total Liabilities & Shareholders' Equity	\$19,700	\$626,829	100.0	\$594,696	100.0	\$552,775	100.0	\$32,133	5.4	\$74,054	13.4

Note :

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$31.819 as of March 31, 2010.

(2) Certain prior period balances have been reclassified to conform to the current period presentation.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Unaudited Consolidated Condensed Income Statements

For the Three Months Ended March 31, 2010, December 31, 2009, March 31, 2009

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")⁽¹⁾)

Except for Per Share Amounts and Shares Outstanding)

	1Q 2010			4Q 2009		1Q 2009		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Net Sales	\$2,885	\$92,187	100.0	\$92,094	100.0	\$39,500	100.0	\$93	0.1	\$52,687	133.4
Cost of Sales	(1,502)	(48,002)	(52.1)	(47,399)	(51.5)	(32,020)	(81.1)	(603)	1.3	(15,982)	49.9
Gross Profit	1,383	44,185	47.9	44,695	48.5	7,480	18.9	(510)	(1.1)	36,705	490.7
Operating Expenses											
Research and Development Expenses	(201)	(6,410)	(7.0)	(6,567)	(7.1)	(3,729)	(9.4)	157	(2.4)	(2,681)	71.9
General and Administrative Expenses	(77)	(2,472)	(2.6)	(3,269)	(3.6)	(1,595)	(4.0)	797	(24.4)	(877)	55.0
Sales and Marketing Expenses	(37)	(1,175)	(1.3)	(1,217)	(1.3)	(947)	(2.4)	42	(3.4)	(228)	24.1
Total Operating Expenses	(315)	(10,057)	(10.9)	(11,053)	(12.0)	(6,271)	(15.9)	996	(9.0)	(3,786)	60.4
Income from Operations	1,068	34,128	37.0	33,642	36.5	1,209	3.1	486	1.4	32,919	2722.0
Non-Operating Income, Net	31	998	1.1	1,427	1.6	353	0.9	(429)	(30.1)	645	183.8
Investment Gains	6	177	0.2	299	0.3	(813)	-2.1	(122)	(40.8)	990	(121.8)
Income before Income Tax	1,105	35,303	38.3	35,368	38.4	749	1.9	(65)	(0.2)	34,554	4616.5
Income Tax Expenses	(47)	(1,478)	(1.6)	(2,508)	(2.7)	739	1.9	1,030	(41.1)	(2,217)	(299.9)
Net Income	1,058	33,825	36.7	32,860	35.7	1,488	3.8	965	2.9	32,337	2173.6
Minority Interests	(5)	(162)	(0.2)	(194)	(0.2)	71	0.1	32	(16.5)	(233)	(328.0)
Net Income Attributable to Shareholders of the Parent	1,053	33,663	36.5	32,666	35.5	1,559	3.9	997	3.1	32,104	2059.5
Earnings per Share - Diluted	\$0.04	\$1.30		\$1.26		\$0.06		\$0.04	3.1	\$1.24	2059.8
Earnings per ADR - Diluted ⁽²⁾	\$0.20	\$6.49		\$6.30		\$0.30		\$0.19	3.1	\$6.19	2059.8
Weighted Average Outstanding Shares - Diluted ('M) ⁽³⁾		25,916		25,916		25,920					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD31.955 for the first quarter of 2010.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 25,920M shares for 1Q09 after the retroactive adjustments for stock dividends and stock bonus.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows

For the Three Months Ended March 31, 2010, December 31, 2009, and March 31, 2009

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD"))⁽¹⁾

	1Q 2010 (unaudited)		4Q 2009 (unaudited)	1Q 2009 (unaudited)
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Net Income	\$ 1,053	\$ 33,663	\$ 32,666	\$ 1,559
Net Income Attributable to Minority Interest	5	162	194	(71)
Depreciation & Amortization	657	21,003	20,277	20,483
Deferred Income Tax	(22)	(718)	(630)	(1,394)
Equity in Losses (Earnings) of Equity Method Investees, Net	(6)	(177)	(299)	813
Changes in Working Capital & Others	(247)	(7,899)	9,791	5,398
Net Cash Provided by Operating Activities	1,440	46,034	61,999	26,788
Cash Flows from Investing Activities:				
Acquisitions of:				
Marketable Financial Instruments	(809)	(25,858)	(19,979)	(9,251)
Investments Accounted for Using Equity Method	(195)	(6,229)	(11)	-
Property, Plant and Equipment	(1,444)	(46,136)	(42,715)	(5,617)
Financial Assets Carried at Cost	(3)	(111)	(51)	(83)
Proceeds from Disposal or maturity of:				
Marketable Financial Instruments	695	22,220	16,394	23,053
Property, Plant and Equipment	1	36	17	2
Financial Assets Carried at Cost	1	26	37	-
Others	(7)	(237)	(794)	32
Net Cash Used In Investing Activities	(1,761)	(56,289)	(47,102)	8,136
Cash Flows from Financing Activities:				
Decrease in Guarantee Deposits	(3)	(90)	(151)	(165)
Proceeds from Exercise of Stock Options	1	37	70	15
Repayment of Long-Term Bonds Payable	-	-	-	(8,000)
Others	(24)	(790)	(196)	275
Net Cash Used in Financing Activities	(26)	(843)	(277)	(7,875)
Net Increase (Decrease) in Cash and Cash Equivalents	(347)	(11,098)	14,620	27,049
Effect of Exchange Rate Changes and Others	(12)	(378)	(279)	1,599
Cash and Cash Equivalents at Beginning of Period	5,360	171,276	156,935	194,614
Cash and Cash Equivalents at End of Period	\$ 5,001	\$ 159,800	\$ 171,276	\$ 223,262

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD31.955 for the year ended March 31, 2010.